

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to odometer disclosure statements

The Transportation Department hereby amends Chapter 400, “Vehicle Registration and Certificate of Title,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12 and 321.71.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 321.71.

Purpose and Summary

The amendment to Chapter 400 conforms subrule 400.52(3) with 2020 Iowa Acts, Senate File 2091, which amended Iowa Code section 321.71 related to odometer disclosure statements. Senate File 2091 became effective January 1, 2021.

Federal and Iowa law require odometer disclosure upon transfer of a vehicle to prevent odometer fraud and ensure that all parties are aware of the mileage on a vehicle. Prior to January 1, 2021, a vehicle seller was required to disclose the odometer mileage for any vehicle that was less than ten model years old when transferring the vehicle. However, federal regulations as adopted in Iowa Code section 321.71 now require odometer disclosure statements for the transfer of a vehicle that is less than 20 model years old, beginning with vehicles from the 2011 model year (49 CFR Section 580.17).

This requirement put into place the following scenarios:

1. For a vehicle transfer that occurs through December 31, 2030, any vehicle of model year 2011 or newer will require odometer disclosure.
2. For a vehicle transfer that occurs on or after January 1, 2031, any vehicle that is less than 20 model years old will require odometer disclosure. The model year formula for odometer statements will be the current year minus 20. For example, if the calendar year is 2033 and the car model year is 2013, the car is 20 model years old and therefore is not subject to odometer disclosure.

This requirement is for all transfers of vehicles, whether through sale at a licensed dealer, private sale, operation of law transfer, or other method. However, any vehicle that is currently exempt from odometer disclosure under federal or Iowa law based on any reason other than model year will remain exempt. This includes the provision in 49 CFR Section 580.17(a)(1) that exempts any vehicle having a gross vehicle weight rating of more than 16,000 pounds.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on May 19, 2021, as **ARC 5618C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on July 13, 2021.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa as there is no fee associated with submitting a required odometer disclosure statement.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on September 15, 2021.

The following rule-making action is adopted:

Amend subrule 400.52(3) as follows:

400.52(3) A As required by 49 CFR Section 580.17, for vehicle transfers that occur through December 31, 2030, any vehicle that is model year 2011 or newer shall require an odometer disclosure statement. For vehicle transfers that occur on or after January 1, 2031, the model year formula for odometer disclosure statements shall be the current year minus ~~ten~~ 20. The resulting number represents the first model year for which a motor vehicle is exempt from the odometer statement requirements incident to a transfer.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/11/21.